

2019 Annual Report to the State Legislature: Payday lending

Wisconsin Department of Financial Institutions





State of Wisconsin
Department of Financial Institutions

Tony Evers, **Governor**

Kathy Blumenfeld, **Secretary**

January 14, 2020

VIA EMAIL ONLY

Jeffrey Renk, Wisconsin Senate Chief Clerk
Patrick Fuller, Wisconsin Assembly Chief Clerk
State Capitol
Madison, WI
jeff.renk@legis.wisconsin.gov
patrick.fuller@legis.wisconsin.gov

RE: Wisconsin Department of Financial Institutions Annual Payday Lending Report for 2019

Dear Chief Clerks Renk and Fuller:

On the following page please find the Wisconsin Department of Financial Institutions (DFI) annual report on payday lending that DFI is required to submit under s. 138.14(7)(e), Stats.

This information is based on data provided by Veritec. Pursuant to s. 138.14(14), Stats., a lender must verify a customer's eligibility to enter into a payday loan through an approved method which includes electronic query of an available third-party database. Veritec provides this service for the State of Wisconsin.

Please feel free to contact us with any questions.

Sincerely,

A handwritten signature in black ink that reads "Heather A. MacKinnon".

Heather A. MacKinnon
Administrator
Division of Banking

Payday Lending Annual Report for 2019

The Department of Financial Institutions is required by s. 138.14(7)(e), Stats., to submit an annual report to the Chief Clerks of the Wisconsin Senate and Assembly pursuant to s. 13.172(3), Stats., that includes all of the following:

1. The number of payday loans made by all licensees during the preceding year.
2. The average principal amount for all payday loans made during the preceding year.
3. The average interest, fees, and other charges for all payday loans made during the preceding year.
4. Based on subd. [3.](#), the average annual percentage rate for all payday loans made during the preceding year.
5. The number of payday loans made during the preceding year that were paid in full on the maturity date.
6. The number of payday loans made during the preceding year that resulted in repayment under sub. [\(11g\) \(a\).](#)
7. The number of payday loans made during the preceding year that were repaid with the proceeds of a subsequent payday loan.
8. The number of payday loans made during the preceding year that resulted in default.
9. The number of payday loans made during the preceding year for which a customer's payment method was dishonored or denied due to insufficient funds.

1.	Number of payday loans made by all licensees in 2019	63,884
2.	Average principal amount for all payday loans in 2019	\$346.62
3.	Average interest, fees and other charges for all payday loans in 2019	\$76.75
4.	Average annual percentage rate for all payday loans in 2019	528.32%
5.	Number of payday loans paid in full by maturity date in 2019	33,225
6.	Number of payday loans that resulted in repayment plans in 2019	1,012
7.	Number of payday loans that were repaid with proceeds of a subsequent payday loan in 2019	12,908
8.	Number of payday loans that resulted in default in 2019	3,273
9.	Number of payday loans in which a customer's payment method was dishonored or denied due to insufficient funds in 2019	4,119